

Judge Hellerstein

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA,

: INFORMATION

-v.-

07 CRIM 555

DOMINICK COLASUONNO and
PHILIP COLASUONNO,

:

:

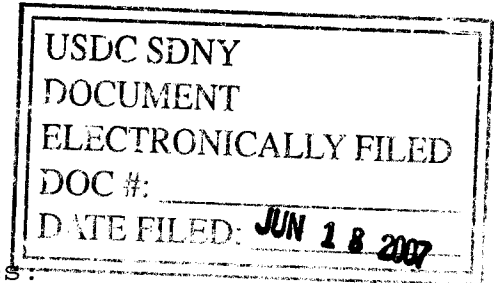
Defendants.

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COUNT ONE
(Conspiracy)

The United States Attorney charges:



BACKGROUND

1. At all times relevant to this Information, DOMINICK COLASUONNO and PHILIP COLASUONNO, the defendants, resided in the State of New York.

2. At all times relevant to this Information, DOMINICK COLASUONNO and PHILIP COLASUONNO, the defendants, owned, operated, and controlled, among other companies, American Armored Car, Ltd. ("AAC"), which was headquartered in Westchester County, New York.

3. Pursuant to the Internal Revenue Code and associated regulations, including the Federal Insurance Contributions Act ("FICA"), employers are required to withhold certain amounts from the compensation of their employees and then remit these withheld amounts ("Withholdings") over to the Internal Revenue Service of the United States Department of the

Treasury (the "IRS") on a quarterly basis. In addition to Withholdings, employers are also required to make contributions under FICA in an amount equal to Withholdings. FICA contributions ("FICA taxes") are made up, therefore, of four components: the employer's and employee's equal shares of 6.2% for Social Security and 1.45% for Medicare taxes, totaling 15.3% of an employee's total wages.

4. From in or about late 2000 through in or about December 2005, DOMINICK COLASUONNO and PHILIP COLASUONNO, the defendants, paid, and caused to be paid, wages to employees of AAC in the form of cash, without having accounted for, withheld, or paid over to the IRS the employees' portion of FICA taxes and without having paid to the IRS the employer's portion of FICA taxes, despite the fact that DOMINICK COLASUONNO and PHILIP COLASUONNO were responsible for withholding from the employees' pay, and paying over to the IRS, the employees' portion of FICA taxes and were responsible for paying to the IRS the employer's portion of FICA taxes.

5. From in or about late 2000 through in or about December 2005, DOMINICK COLASUONNO and PHILIP COLASUONNO, the defendants, wrote, and caused to be written, weekly checks made payable to FJC Security Services, Inc. ("FJC"), representing cash payroll to be made to employees of AAC, even though AAC had no ongoing business relationship with FJC during this period and the

sole purpose of the checks made out to FJC was to cover up and disguise the payment of cash payroll to employees of AAC.

DOMINICK COLASUONNO and PHILIP COLASUONNO would thereafter cash, and cause to be cashed, the checks made payable to FJC at a check-cashing establishment, Prima Check Cashing, Inc., that DOMINICK COLASUONNO and PHILIP COLASUONNO owned, operated, and controlled, without the knowledge or involvement of FJC or any representative of FJC.

6. AAC would account for cash payroll to its employees in its books and records as payments for "outside services," whereas, in truth and in fact, and as DOMINICK COLASUONNO and PHILIP COLASUONNO, the defendants, well knew and understood, the payments were not for "outside services," but, rather, were cash payments to employees of AAC.

STATUTORY ALLEGATIONS

7. From in or about late 2000 through in or about early 2006, in the Southern District of New York and elsewhere, DOMINICK COLASUONNO and PHILIP COLASUONNO, the defendants, together with others known and unknown, unlawfully, willfully, and knowingly did combine, conspire, confederate, and agree together and with each other (1) to defraud the United States of America and an agency thereof, to wit, the IRS, and (2) to commit an offense against the United States, to wit, to violate Title 26, United States Code, Section 7206(2).

8. It was a part and an object of the conspiracy that DOMINICK COLASUONNO and PHILIP COLASUONNO, the defendants, and others known and unknown, unlawfully, willfully, and knowingly would and did defraud the United States of America and the IRS by impeding, impairing, defeating, and obstructing the lawful governmental functions of the IRS in the ascertainment, computation, assessment, and collection of payroll taxes.

9. It was a part and an object of the conspiracy that DOMINICK COLASUONNO and PHILIP COLASUONNO, the defendants, and others known and unknown, unlawfully, willfully, and knowingly would and did aid, assist in, procure, counsel, and advise the preparation and presentation under, and in connection with a matter arising under, the internal revenue laws, of a return, affidavit, claim, and other document, which is fraudulent and is false as to a material matter, in violation of Title 26, United States Code, Section 7206(2).

MEANS AND METHODS OF THE CONSPIRACY

10. Among the means and methods by which DOMINICK COLASUONNO and PHILIP COLASUONNO, the defendants, would and did carry out the conspiracy were the following:

a. paying, and causing to be paid, cash wages to employees of AAC;

b. filing, and causing to be filed, with the IRS wage reporting statements (Forms W-2) for employees of AAC that

did not reflect such cash payments;

c. aiding, assisting in, procuring, counseling, and advising the filing with the IRS of fraudulent and false employer's quarterly payroll tax returns (IRS Form 941) for the fourth quarter of tax year 2000 and the four quarters in each of tax years 2001 through and including 2005 that did not reflect cash wages paid to employees of AAC, whereas DOMINICK COLASUONNO and PHILIP COLASUONNO well knew and understood that they were required to accurately report cash wages paid to employees of AAC, in the approximate amounts set forth below; and

d. failing correctly to pay to the IRS AAC's portion of, and to withhold, account for, and pay over to the IRS the AAC employees' portion of, FICA taxes in relation to employees of AAC, whereas DOMINICK COLASUONNO and PHILIP COLASUONNO well knew and understood that they were required to pay to the IRS, and withhold, account for, and pay over to the IRS, FICA taxes, in the approximate amounts set forth below:

Four Quarters of Tax Year	False Compensation to AAC Employees Reported on IRS Form 941	Total Unreported Cash Wages Paid To AAC Employees	Total Unpaid FICA Taxes - employees' portion	Total Unpaid FICA Taxes -- employer's portion
2000 (fourth quarter only)	\$122,047.88	\$7,773.37	\$594.66	\$594.66
2001	\$1,894,522.35	\$880,658.81	\$67,370.40	\$67,370.40

Four Quarters of Tax Year	False Compensation to AAC Employees Reported on IRS Form 941	Total Unreported Cash Wages Paid To AAC Employees	Total Unpaid FICA Taxes - employees' portion	Total Unpaid FICA Taxes -- employer's portion
2002	\$1,910,249.60	\$990,804.93	\$75,796.58	\$75,796.58
2003	\$2,108,157.73	\$1,175,317.04	\$89,911.26	\$89,911.26
2004	\$1,845,244.95	\$1,136,910.91	\$86,973.69	\$86,973.69
2005	\$2,025,668.94	\$916,168.98	\$70,086.93	\$70,086.93

OVERT ACTS

11. In furtherance of said conspiracy and to effect the illegal object thereof, DOMINICK COLASUONNO and PHILIP COLASUONNO, the defendants, and others known and unknown, committed the following overt acts, among others, in the Southern District of New York:

a. On or about August 1, 2002, DOMINICK COLASUONNO, the defendant, signed a check drawn on an account of AAC and made payable to FJC in the amount of \$17,768.70.

b. On or about January 17, 2003, DOMINICK COLASUONNO, the defendant, signed a check drawn on an account of AAC and made payable to FJC in the amount of \$20,179.39.

(Title 18, United States Code, Section 371.)

COUNT TWO

(Aiding and Assisting Preparation of False Tax Returns)

The United States Attorney further charges:


12. The allegations contained in paragraphs 1 through 6 and paragraphs 10 and 11 of this Information are hereby

realleged and incorporated by reference as though fully set forth herein.

12. From in or about late 2000 through in or about early 2006, in the Southern District of New York and elsewhere, DOMINICK COLASUONNO and PHILIP COLASUONNO, the defendants, unlawfully, wilfully, and knowingly did aid, assist in, procure, counsel, and advise the preparation and presentation under, and in connection with a matter arising under, the internal revenue laws, of returns and other documents that were fraudulent and false as to material matters, to wit, in each quarter from the fourth quarter of 2000 through and including the fourth quarter of 2005, DOMINICK COLASUONNO and PHILIP COLASUONNO aided, assisted in, procured, counseled, and advised the preparation and presentation of employer's quarterly payroll tax returns (IRS Form 941) that fraudulently and falsely understated the amount of wages and other compensation paid to employees of AAC and, thereby, fraudulently and falsely understated the amount of payroll tax liability due and owing by AAC, in the amounts set forth below:

Four Quarters of Tax Year	False Compensation to AAC Employees Reported on IRS Form 941	Total Unreported Cash Wages Paid To AAC Employees	Total Unpaid FICA Taxes - employees' portion	Total Unpaid FICA Taxes -- employer's portion
2000 (fourth quarter only)	\$122,047.88	\$7,773.37	\$594.66	\$594.66
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(Title 26, United States Code, Section 7206(2).)


 MICHAEL J. GARCIA *MAA*
 United States Attorney

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

- v. -

DOMINICK COLASUONNO and
PHILIP COLASUONNO,

Defendants.

INFORMATION

07 Cr. _____ (AKH)

(18 U.S.C. § 371;
26 U.S.C. § 7206(2))

MICHAEL J. GARCIA
United States Attorney.

6/18/07
Information + Waivers filed for both depts. Defts. arraigned on
information, Deft Philip Colasuonno pres. w/atty Richard Leitt;
Deft Dominick Colasuonno pres w/atty. Alan Futerfas and Ellen Resnick;
AUSA Daniel Levy pres. Court reporter Paula Spier pres; Defts.
both enter a plea of guilty to counts 1+2 of the information.
Sentencing is set for 7/19/07 @ 10:30am. Defts could. on
bail.

Hellerstein, J